



Billing Code 3410-08-P

DEPARTMENT OF AGRICULTURE

Risk Management Agency

[Docket No. RMA-2013-0001]

Notice to Reopen Comment Period for Federal Crop Insurance Program Delivery Cost Survey and Interviews

**ACTION:** Notice to reopen comment period to request comments on the script for interviews of Approved Insurance Providers, and on the survey instruments for insurance agents and insured producers.

**SUMMARY:** The Risk Management Agency (RMA) is issuing this notice to advise the public that we are reopening the comment period to request comments on the script for interviews of Approved Insurance Providers (AIPs), and on the survey instruments for insurance agents and insured producers, for a new information collection “Federal Crop Insurance Program Delivery Cost Survey and Interviews” that is currently under review by the Office of Management and Budget (OMB). The survey instruments will also serve as the scripts for the interviews of insurance agents and insured producers, respectively.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), RMA has previously sought public comment on an information collection request related to a study of Federal crop insurance program delivery costs. As part of the study RMA plans to conduct interviews with AIPs, insurance agents, and insured producers, and conduct surveys of insurance agents and insured producers. RMA will use the information collected from the interviews, surveys, and other information to construct estimates of the reasonable cost of delivery for the

Federal crop insurance program.

Copies of the AIP interview scripts and survey questions may be obtained by contacting Kent Lanclos by phone at (202) 205-3933, or by email [kent.lanclos@rma.usda.gov](mailto:kent.lanclos@rma.usda.gov). To review the Farmers and Agent's surveys you can go to [http://www.reginfo.gov/public/do/PRAViewDocument?ref\\_nbr=201212-0563-001](http://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=201212-0563-001).

**DATES:** Comments on this notice must be received by [insert 30 days after publication in the Federal Register] to be assured of consideration.

**ADDRESSES:** FCIC prefers that comments be submitted electronically through the Federal eRulemaking Portal. You may submit comments, identified by Docket ID No. RMA-2013-0001, by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.
- *Mail:* Stan Harkey, Product Analysis & Accounting Division, U.S. Department of Agriculture Risk Management Agency, Beacon Facility- Mail Stop 0811, P.O. Box 419205, Kansas City, MO 64141-6205, (816) 926-3799.

All comments received, including those received by mail, will be posted without change to <http://www.regulations.gov>, including any personal information provided, and can be accessed by the public. All comments must include the agency name and docket number for this notice. For detailed instructions on submitting comments and additional information, see <http://www.regulations.gov>. If you are submitting comments electronically through the Federal eRulemaking Portal and want to attach a document, we ask that it be in a text-based format. If you want to attach a document that is a scanned Adobe PDF file, it must be scanned as text and

not as an image, thus allowing FCIC to search and copy certain portions of your submissions.

For questions regarding attaching a document that is a scanned Adobe PDF file, please contact the RMA Web Content Team at (816) 823–4694 or by email at [rmaweb.content@rma.usda.gov](mailto:rmaweb.content@rma.usda.gov).

*Privacy Act:* Anyone is able to search the electronic form of all comments received for any dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review the complete User Notice and Privacy Notice for Regulations.gov at

<http://www.regulations.gov/#!privacyNotice>.

**ADDITIONAL INFORMATION OR COMMENTS:** Kent Lanclos, Office of Compliance, U.S. Department of Agriculture Risk Management Agency, 1400 Independence Ave., SW, Mail Stop 0801, Washington, DC, 20250-0801, (202) 205–3933.

## **SUPPLEMENTARY INFORMATION:**

### **Interviews and Surveys**

The purpose of the AIP interviews is to better understand the activities performed and types of costs incurred by the AIPs to deliver Federal crop insurance to producers, particularly those activities and costs that are distinct from those of insurance agents. Information collected from the interviews with AIPs include general companies' background, competitive strategies, and business operations model in selling and servicing the Federal crop insurance, agent compensation, expense structure, and financial reporting to RMA. Information obtained from the interviews with AIPs will help RMA understand the expenses AIPs incur in delivering the Federal crop insurance, their general practices in determining agent compensation, and compiling financials reported to RMA.

The purpose of the survey of the insurance agents is to collect relevant cost data incurred by the insurance agents in selling and servicing the Federal crop insurance policies. General background information on the surveyed insurance agents, e.g. geographical region, types of crop insurance sold, and number of crop insurance policies sold, will also be collected. The survey will serve as an instrument collecting information on the levels of effort required to sell and service crop insurance policies as well as levels of effort necessary to sell and service other lines. Specifically, the survey will collect data on agency geographical area (location of policy holders), insurance plan type (initial application vs. renewal policy), policy size, policy management and support related activities, nature of interaction with a policy holder, types of crops covered by Federal crop insurance, and other factors. In addition, the survey will obtain information on the time agents spend on the tasks related to selling and servicing a policy and agents' essential out of pocket costs for support staff, travel, overhead, and other out-of-pocket expenses. This information will be used to evaluate the factors measurably contributing to the costs of Federal crop insurance delivery.

A parallel survey of the insured farmers to whom the sampled insurance agents sell crop insurance will be conducted to determine the level of service (e.g. number of insurance agent visits, educational services, and other services) that is necessary for the farmers to make an informed decision. Several types of data will be collected. These will include general background of the producers and of their insurance agents. It will also include information about the interaction between producers and insurance agents. Data gathered from the survey of insured producers will serve as a consistency check to information gathered from the survey of insurance agents and will not be directly used to estimate the cost of delivery incurred by the

insurance agents but will provide valuable information on the levels of services producers expect from agents.

As noted previously, the survey instruments will also serve as the scripts for the interviews of insurance agents and insured producers, respectively. The purpose of the interviews with insurance agents and insured producers is to obtain additional context and understanding for the responses provided to the surveys by agents and producers, respectively. This will assist RMA with interpreting the survey responses and results.

RMA will use the information collected from the interviews and surveys in conjunction with the financials reported by AIPs to construct estimates of the cost of delivery for the Federal crop insurance program. This information could also be used in RMA's program planning process before implementing any regulatory and programmatic changes in the future. Data collected from the interviews and surveys can also provide RMA some useful information on the Federal crop insurance program from the perspectives of different stakeholders (AIPs, insurance agents, and insured producers) and aid RMA in its program management and program planning.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record.

Signed in Washington, D.C. on July 18, 2013.\_\_\_\_\_.

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Brandon Willis  
Manager  
Federal Crop Insurance Corporation

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